

RETURN DATE: JULY 25, 2023

SUPERIOR COURT

WALL STREET THEATER COMPANY, INC.,

Plaintiff,

J.D. OF STAMFORD

v.

AT STAMFORD

PATRIOT BANK, N. A.

Defendants.

JUNE 30, 2023

COMPLAINT

COUNT ONE : INTENTIONAL MISREPRESENTATION

1. The Plaintiff, The Wall Street Theater Company, Inc., is a corporation formed under the laws of the State of Connecticut with its principal place of business located at 71 Wall Street, Norwalk, CT 06850.
2. The Defendant Patriot Bank, NA is a National Banking Association with its principal place of business and headquarters in the State of Connecticut located at 900 Bedford Street, Stamford, CT 06901.
3. The Defendant, Patriot Bank, NA, is a full-service financial institution.
4. The Plaintiff, the Wall Street Theater Company, Inc. is a non-profit community theater venue.

5. The Defendant purposefully made loans that the Defendant knew the Plaintiff did not have the capability to repay. By way of example, and not limitation:
 - a) The Defendant knew that the Plaintiff should, and did, have a permanent loan amount of approximately \$3,000,000.00 Dollars. Despite this knowledge the Defendant refinanced the loan in 2016 increasing the principal to \$8,800,000.00.
 - b) The Defendant executed a Note ("Note"), a Mortgage ("Mortgage") and other loan documents in the amount of \$8,800,000.00.
 - c) The Defendant never sought and/or received state approval for any refinances and/or financial modifications keeping such actions secreted.
6. The Defendant made representations at or about the time of the loans that the Defendant knew the value to support the loan it was making did not exist.
7. The Defendant desired the Plaintiff to refinance and made representations at or about the time of the loans that if the Plaintiff would refinance the Defendant would create a new loan structure after the refinance that would place the Plaintiff in a permanent loan of approximately \$3,000,000.00.

8. In 2021 the Defendant represented to the Plaintiff that the Board of Directors for Patriot Bank had already agreed to a permanent recast of the loan at a lower amount. The Plaintiff relied upon this representation in agreeing to a post-covid temporary payment plan.
9. The Defendant took out funds in excess of the agreed upon post-covid amount. The Defendant represented to Plaintiff that the extra amount of funds taken by the Defendant was for "tax escrow". The representation was made despite the fact that no tax escrow exists in connection with the Plaintiff at Patriot Bank. The extra funds taken for the purported tax escrow remain unaccounted for to date.
10. In or around October 2022, the Defendants offered a permanent financing resulting in monthly payment of approximately \$3,500.00.
11. From in or around October of 2022, until February of 2023, the Defendant withdrew the agreed upon permanent financing amount of \$3,500.00 per month. Said amount was applied to the principal of the loan.
12. In February of 2023, the bank unexpectedly stopped honoring the restructured financing agreement for 3,500.00 per month.

13. In 2023, the Defendant refused offers of \$2,900,000.00 and \$3,500,000.00 the approximate value of the permanent loan. The Defendant knowingly lead the Plaintiff to believe would be restructured following the 2016 and 2019 refinance.

14. The Defendant has interfered with the business of the Plaintiff. By way of example and not limitation the Defendant interfered with the business of the Plaintiff in one or more of the following ways:

- a) The Defendant in refusing to restructure the loan as promised in relation to the proven value of property has created a significant capital deficit stymying all fund-raising efforts.

- b) The Defendant has made known to theater competitors that the Plaintiff theater was in dire financial straits, even going as far as providing an in-person tour of the theater to a competitor to see if there was any interest in purchasing the theater.

- c) The Defendant marketed the ownership of the Plaintiff theater through a real estate brokerage firm.

15. The above conduct interfered with the Plaintiff theater's, a non-profit, ability to conduct business and damaged and continues to damage the ability of the Plaintiff theater to raise money and effectively thwarting any and all financial efforts of the Plaintiff.

16. In violation of the terms of the loan agreements the Defendant has not notified all signatories of the loan agreement of any changes or alterations to the terms undertaken or sought.

17. The Defendant knew that its representations to the Plaintiff that the Defendant would restructure the loan to terms that were in keeping with the original debt obligations were false.

18. The Defendant made the representations to cause the Plaintiff to rely on the above stated representations in entering into further debt obligations.

19. The Plaintiff did rely upon the false representations of the Defendant and as a result has suffered damages and continues to suffer damages.

COUNT TWO : NEGLIGENT MISREPRESENTATION

1-16. The Plaintiff incorporates paragraphs 1-16 of Count One as paragraphs 1-16 of this count as if fully set forth herein.

17. The Defendant knew or should have known that its representations to the Plaintiff that the Defendant would restructure the loan to terms that were in keeping with the original debt obligations were false.

18. The Defendant made the representations to induce the Plaintiff to rely on the above stated representations in entering into further debt obligations such as refinancing and/or loan term modifications.
19. The Plaintiff did rely upon the false representations of the Defendant and as a result has suffered damages and continues to suffer damages.

COUNT THREE : BREACH OF CONTRACT

1-2. The Plaintiff incorporates paragraphs 1-2 of Count One as paragraphs 1-2 of this count as if fully set forth herein.

3. The Defendant desired the Plaintiff to refinance.
4. The Plaintiff and Defendant made an agreement that if the Plaintiff would refinance at that time, the Defendant would then create a new loan structure after the refinance that would place the Plaintiff in a permanent loan of approximately \$3,000,000.00.
5. The Plaintiff performed and refinanced.
6. The Defendant failed and refused to ever provide a new loan structure as agreed.
7. As a result of the Defendant's breach the Plaintiff has suffered damages and continues to suffer damages.

COUNT FOUR : TORTIOUS INTERFERENCE

1-15. The Plaintiff incorporates paragraphs 1-15 of Count One as paragraphs 1-15 of this count as if fully set forth herein.

16. The Defendant, Patriot Bank, NA, through conduct and communications publishing that the Wall Street Theater owners were “done” and would be out of business imminently wrongfully interfered with The Plaintiff’s business.
17. The Defendant’s interference was a misrepresentation and intended to cause the Plaintiff to suffer intimidation.
18. The Defendant did not have justification for the interference.
19. As a result of the Defendant’s interference the Plaintiff has suffered damages and continues to suffer damages.

COUNT FIVE : PROMISSORY ESTOPPEL

1-2. The Plaintiff incorporates paragraphs 1-2 of Count One as paragraphs 1-2 of this count as if fully set forth herein.

8. The Defendant desired the Plaintiff to refinance.
9. The Defendant made a clear and definite promise that the Defendant would create a new loan structure after the refinance that would place the Plaintiff in a permanent loan of approximately \$3,000,000.00, If the Plaintiff would refinance and agree to certain financial terms.
10. The Defendant should reasonably have expected the Plaintiff to rely on the promise.
11. The Plaintiff relied on the Defendant’s promise and refinanced and otherwise agreed to certain financial terms.

12. The Defendant failed and refused to ever provide a new loan structure as promised to the Plaintiff.

13. As a result of the Defendant's reliance on the promise the Defendant has suffered damages and continues to suffer damages.

WHEREFORE, the Plaintiff claims as to:

Count I:

- a. Damages;
- b. Reformation of the Note and Mortgage; and
- c. Costs.

Count II:

- a. Damages; and
- b. Costs.

Count III:

- a. Damages; and
- b. Costs.


Count IV:

- a. Damages; and
- b. Costs.

Count V:

- a. Damages; and
- b. Costs.

PLAINTIFF,

By: 
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PLEASE ENTER AN APPEARANCE FOR:

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